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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

In re CORNERSTONE PROPANE

PARTNERS LP SECURITIES LITIGATION

) Case No. C03-2522-MHP

)

) **STIPULATION AND**

) **AGREEMENT OF SETTLEMENT**

This Stipulation of Settlement (the “Stipulation”), dated as of September 19, 2006, is made and entered into by and among the following parties (as defined further in Section V herein) to the above-entitled action (the “Action”): (i) Lead Plaintiff (as defined below), on behalf of himself and each of the Class Members, by and through his counsel of record in the Action; and (ii) Defendants (as defined below), by and through their counsel of record in the Action (collectively, the “Parties”). The Stipulation is intended by the Parties to fully, finally and forever resolve, discharge and settle the Released Claims (as defined below), upon and subject to the terms and conditions herein.

I. THE ACTION

A. The Filed Actions

Beginning on May 28, 2003, the following eight federal securities class action complaints were filed against Cornerstone Propane Partners L.P. (“Cornerstone” or the “Company”), and some

1 or all of the individual defendants – Keith G. Baxter (“Baxter”), Ronald J. Goedde (“Goedde”),
 2 William L. Woods (“Woods”), Charles J. Kittrell (“Kittrell”), Richard D. Nye (“Nye”), Merle D.
 3 Lewis (“Lewis”), Richard R. Hylland (“Hylland”), Daniel K. Newell (“Newell”) (collectively, the
 4 “Defendants”), in the Northern District of California:

5 *Erikson et al v. Cornerstone Propane Partners LP et al*, Case No. C03-2522
 6 (MHP); *Goldstein v. Cornerstone Propane Partners LP et al*, Case No. C03-
 7 02759 (MHP); *Hannah v. Cornerstone Propane Partners LP et al*, Case No. C03-
 8 3076 (MHP); *Asher v. Cornerstone Propane Partners LP et al*, Case No. C03-
 9 3265 (MHP); *Altschuler et al v. Cornerstone Propane Partners LP et al*, Case
 10 No. C03-2566 (MHP); *Jergensen v. Cornerstone Propane Partners LP et al*, Case
 No. C03-3163 (MJJ); *D'Elia v. Cornerstone Propane Partners LP et al*, Case No.
 C03-2685 (MHP); and *Gallander v. Cornerstone Propane Partners LP et al*, Case
 No.C03-2367 (MHP).

11 By an order of the Honorable Marilyn H. Patel dated October 3, 2003, the complaints were
 12 consolidated. By that same order, the Court appointed Gilbert H. Lamphere as lead plaintiff in this
 13 Action (“Lead Plaintiff”), and approved Lead Plaintiff’s selection of Schiffrin & Barroway, LLP as
 14 Lead Counsel (“Lead Counsel”) for the Class and Green & Jigarjian, LLP¹ as liaison counsel
 15 (“Liaison Counsel”) for the Class.

17 B. Procedural History

18 On October 27, 2003, Lead Plaintiff filed the Amended Class Action Complaint, followed by
 19 the filing of the Corrected Consolidated Amended Class Action Complaint (“CAC”) on March 2,
 20 2004, asserting claims for alleged violations of Sections 10(b) and 20(a) of the Securities Exchange
 21 Action of 1934 (the “Exchange Act”), and Rule 10b-5 promulgated thereunder, against the
 22 Defendants, as defined below. The Complaint alleged that during the period in question, the
 23 Defendants issued false and misleading statements concerning the Company’s financials, causing the
 24 price of Cornerstone common units to be artificially inflated.
 25

26
 27 ¹ Green & Jigarjian, LLP subsequently reformed and the law firm of Green Welling LLP provides
 28 the services of Liaison Counsel for Lead Plaintiff and the Class.

1 Defendants filed their motions to dismiss the Complaint on March 22, 2004. Lead Plaintiff
2 filed an opposition to Defendants' motions to dismiss on May 6, 2004, and Defendants filed their
3 reply memoranda to Lead Plaintiff's opposition to the motion to dismiss on June 2 and June 3, 2004.
4 On June 3, 2004, Cornerstone filed for Chapter 11 bankruptcy in the Southern District of New York,
5 permanently staying the action as to Cornerstone, and the case was removed from the Court's
6 calendar by an order of the Court dated June 24, 2004. On November 19, 2004, pursuant to the
7 request of Lead Plaintiff, the Court executed an order granting relief from the prior order removing
8 the case from the Court's calendar.² The Court held a hearing on the Defendants' motion to dismiss
9 on January 24, 2005, and granted the motion to dismiss with leave for Lead Plaintiff to amend.
10

11 Lead Plaintiff filed the Second Amended Class Action Complaint ("SCAC") on April 1,
12 2005. Following a telephonic conference with the Court on April 15, 2005, all of the Defendants
13 except Woods and Kittrell filed answers to the SCAC. Woods and Kittrell filed a motion to dismiss
14 on May 10, 2005 and, following a full briefing, the Court granted the motion as to Woods, but
15 denied the motion as to Kittrell. Kittrell then filed an Answer on July 19, 2005.
16

17 Thereafter, as summarized below, Lead Plaintiff initiated merits discovery by filing Initial
18 Disclosures on July 27, 2005. Lead Plaintiff then served formal document requests and
19 interrogatories on Defendants, and subpoenas on third-parties. During the same time period, Lead
20 Plaintiff filed a motion for class certification on September 23, 2005. Defendants deposed Lead
21 Plaintiff and the trustee of Lead Plaintiff's investment accounts, and then filed their brief in
22 opposition to Lead Plaintiff's motion on October 28, 2005. Lead Plaintiff filed a reply on November
23 18, 2005. Lead Plaintiff represents that it also began the extensive review and analysis of documents
24

25
26 ² The Bankruptcy Court affirmed Cornerstone's plan of reorganization on November 8, 2004.
27
28

1 being produced in response to the discovery served. The Court heard oral argument on December 5,
 2 2005, and issued a Memorandum and Order certifying a Class, as defined below in ¶1.14, on May 3,
 3 2006.

4 As explained below, following the completion of significant discovery, including the review
 5 and analysis of documents produced by Cornerstone's auditors, and the Parties' appearances for oral
 6 argument on the motion for Class Certification, the Parties began negotiating a settlement, and in the
 7 beginning of May 2006, after formal mediation and many months of negotiations, the Parties
 8 reached a tentative agreement to resolve the Action.
 9

10 **II. PRE-TRIAL PROCEEDINGS, INVESTIGATION AND DISCOVERY**

11 **A. Discovery, Investigation and Research Conducted by Lead Counsel**

12 Lead Counsel has conducted discovery and investigation during the prosecution of the
 13 Action. This discovery and investigation has included, among other things (i) review and analysis of
 14 filings made by Cornerstone with the United States Securities and Exchange Commission ("SEC");
 15 (ii) review and analysis of press releases, public statements, news articles, securities analysts' reports
 16 and other publications disseminated by or concerning Cornerstone; (iii) interviews with former
 17 Cornerstone employees; (iv) consultations with damage and accounting experts; (v) research of the
 18 applicable law with respect to the claims asserted in the Action and the potential defenses thereto;
 19 (vi) review of other publicly available information about Cornerstone; and (vii) review and analysis
 20 of 370,000 pages of documents produced by fourteen different persons and entities, including
 21 Defendants and Cornerstone's auditors.

22 **B. Settlement Negotiations and Mediation**

23 Pursuant to the September 26, 2005 Supplemental Joint Case Management Statement and
 24 Order, the Parties agreed to participate in formal mediation. The mediation occurred on January 6,
 25 2006 with the Honorable Daniel Weinstein (Ret.). In advance of this mediation, the Parties prepared
 26 confidential and detailed mediation statements for Judge Weinstein's review, and Lead Plaintiff also
 27 prepared an alternative mediation statement for exchange between the Parties. In their settlement
 28

statements and at the mediation, the Parties presented their respective views regarding the merits of the Action as well as their views concerning available defenses, the evidence and damages analyses. Following a full day of mediation, the Parties were unable to resolve the Action. In the months following the mediation, the Parties continued efforts to resolve the Action through numerous telephonic negotiations, with the assistance of Judge Weinstein. After many months of negotiations, the Parties have reached an agreement in principle for the settlement of this Action.

III. LEAD PLAINTIFF'S CLAIMS AND BENEFITS OF SETTLEMENT

Lead Plaintiff believes that the claims asserted in the Action have merit and that the evidence developed to date in the Action supports the claims asserted. Lead Plaintiff asserts and believes he would present supporting evidence at trial that Defendants issued materially false and misleading statements and omissions of material information concerning Cornerstone's finances, causing the price of Cornerstone common units to be artificially inflated during the Class Period (as defined below) and resulting in injury to Lead Plaintiff and the Class Members (as defined below).

Lead Plaintiff, however, recognizes and acknowledges the expense and length of continued proceedings necessary to prosecute the Action against the Defendants through trial and through appeals. Lead Counsel has also taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Action, as well as the difficulties and delays inherent in such litigation. Lead Counsel is also mindful of the inherent problems of proof under and possible defenses to the securities law violations asserted in the Action.

In light of the foregoing, Lead Counsel and Lead Plaintiff believe that the Settlement set forth in this Stipulation confers substantial benefits upon the Class. Based on their evaluation, including the review and analysis of voluminous discovery, Lead Counsel has determined that the Settlement set forth in this Stipulation is in the best interests of Lead Plaintiff and the Class.

IV. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

Defendants have denied and continue to deny each and all of the claims and contentions alleged by the Lead Plaintiff in the Action. Defendants expressly have denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action. Defendants have also denied

1 and continue to deny, *inter alia*, the allegations that Lead Plaintiff or the Class have suffered
 2 damage, that the price of Cornerstone common units was artificially inflated by reasons of alleged
 3 misrepresentations, non-disclosures or otherwise, and that Lead Plaintiff or the Class were harmed
 4 by the conduct alleged in the SCAC.

5 Nonetheless, Defendants have concluded that further conduct of the Action would be
 6 protracted and expensive, and that it is desirable that the Action and any Released Claims, including
 7 Unknown Claims (as defined below), be fully and finally settled in the manner and upon the terms
 8 and conditions set forth in this Stipulation. Defendants have also taken into account the uncertainty
 9 and risks inherent in any litigation, especially in complex cases like this securities Action.
 10 Defendants have, therefore, determined that it is desirable and beneficial to them that the Action be
 11 settled in the manner and upon the terms and conditions set forth in this Stipulation.

12 **V. TERMS OF STIPULATION OF SETTLEMENT**

13 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among Lead
 14 Plaintiff (individually and on behalf of each of the Class Members), and the Defendants, by and
 15 through their respective counsel of record, that, subject to the approval of the Court pursuant to Rule
 16 23(e) of the Federal Rules of Civil Procedure, and in consideration of the benefits flowing to the
 17 Parties hereto from the Settlement, the Action and the Released Claims, including Unknown Claims,
 18 shall be finally and fully compromised, settled and released, and the Action shall be dismissed with
 19 prejudice, upon and subject to the terms and conditions of the Stipulation, as follows:

20 1. Definitions

21 As used in the Stipulation, the following terms have the meanings specified below:

22 1.1 “Authorized Claimant” means any Class Member who files a timely and
 23 approved Proof of Claim and Release form (“Proof of Claim”).

24 1.2 “Claimant” means any Class Member who files a Proof of Claim.

25 1.3 “Claims Administrator” means The Garden City Group, Inc. (“GCG”).

26 1.4 “Class” means all persons and entities who purchased or otherwise acquired
 27 Cornerstone common units between July 29, 1998 and February 11, 2003, inclusive, and who,
 28 according to the allegations of the SCAC, were damaged thereby (the “Class”). Excluded from the

Class are: (i) Defendants; (ii) members of the immediate family of each of the Defendants; (iii) Cornerstone and any subsidiary or affiliate of Cornerstone; (iv) the directors, officers, managing directors, principals and partners of Cornerstone; (v) any entity in which any excluded person has a controlling interest; and (vi) the legal representative, heirs, successors or assigns of any excluded person. Also excluded from the Class are those persons or entities (i) who both purchased or acquired and sold their Cornerstone common units before July 27, 2001; or (ii) who timely and validly request exclusion from the Class.

1.5 “Class Member” or “Member of the Class” means a Person who falls within the definition of the Class as set forth in ¶1.4 of this Stipulation.

1.6 “Class Period” means the period from July 29, 1998 through February 11, 2003.

1.7 “Company” or “Cornerstone” means Cornerstone Propane Partners L.P., currently known as Titan Propane.

1.8 “Defendants” means Keith G. Baxter, Ronald J. Goedde, Charles J. Kittrell, Richard D. Nye, Merle D. Lewis, Richard R. Hylland, Daniel K. Newell and William L. Woods.³

1.9 “Effective Date” means the first date by which all of the events and conditions specified in ¶8.1 of the Stipulation have been met and have occurred.

1.10 “Escrow Agent” means The Garden City Group, Inc.

1.11 “Final” means: (i) if an appeal is filed, the later of: (a) the date of final affirmance on an appeal from the Final Order and Judgment, the expiration of the time for a petition for a writ of certiorari or mandate to review the Final Order and Judgment and, if certiorari is granted, the date of final affirmance of the Final Order and Judgment following review pursuant to that grant; or (b) the date of final dismissal of any appeal from the Final Order and Judgment or the final dismissal of any proceeding on certiorari or mandate to review the Final Order and Judgment; or (ii) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal

³ Woods was dismissed from the Action by the Court’s July 5, 2005 Order. However, for the purposes of this Stipulation, Woods will be referred to as a Defendant.

from or motion to amend or alter the Final Order and Judgment, *i.e.*, thirty (30) calendar days after entry of the Final Order and Judgment (or, if the date for taking an appeal or seeking review shall be extended beyond this time by order of the Court, by operation of law or otherwise, or if such extension is requested, the date of expiration of any extension if any appeal or review is not sought); or (iii) if the Court enters a Final Order and Judgment in a form other than that provided above (“Alternative Judgment”) and none of the Parties hereto elect to terminate the Settlement, the date that such Alternative Judgment becomes final as defined in parts (i) to (ii) above and no longer subject to appeal or review. Any proceeding or order, or any appeal or petition for a writ of certiorari pertaining solely to any plan of allocation, the application for attorneys’ fees, costs or expenses, and/or any application for an award to Lead Plaintiff for reimbursement of reasonable time and expenses, does not constitute an appeal for purposes of this paragraph and shall not in any way delay or preclude the Final Order and Judgment from becoming final.

1.12 “Final Order and Judgment” means the judgment to be rendered by the Court dismissing the Action with prejudice, substantially in the form and content attached hereto as Exhibit B.

1.13 “Lead Counsel” means Schifffrin & Barroway, LLP, located at 280 King of Prussia Road, Radnor, PA 19087.

1.14 “Lead Plaintiff” means Gilbert H. Lamphere.

1.15 “Liaison Counsel” means Green Welling LLP, 595 Market Street, Suite 2750, San Francisco, CA 94105.

1.16 “Parties” means each of the Defendants and Lead Plaintiff on behalf of himself and Members of the Class.

1.17 “Person” means an individual, corporation (including all divisions and subsidiaries), partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives or assigns.

1 1.18 “Plaintiffs” means Lead Plaintiff and each of the plaintiffs who filed a
2 complaint in the Action.

3 1.19 “Plaintiffs’ Counsel” means Lead Counsel and all other counsel representing
4 plaintiffs in any of the filed actions listed above in §I.

5 1.20 “Plan of Allocation” means a plan or formula of allocation of the Settlement
6 Fund to be prepared by Lead Counsel which shall be described in the “Notice of Pendency and
7 Proposed Settlement of Class Action” (“Notice”) to be sent to Class Members in connection with the
8 Settlement, whereby the Settlement Fund shall be distributed to Authorized Claimants after payment
9 of expenses of notice and administration of the Settlement, any taxes, penalties or interest or tax
10 preparation fees owed by the Settlement Fund, such attorneys’ fees, costs, expenses and interest as
11 may be awarded by the Court, and reimbursement for reasonable time and expenses to the Lead
12 Plaintiff. Any Plan of Allocation is not part of the Stipulation, and Defendants and the Released
13 Persons (as defined below) shall have no responsibility therefor or liability with respect thereto.

14 1.21 “Released Claims” means any and all claims, debts, demands, rights or causes
15 of action or liabilities, whether based on federal, state, local, statutory or common law or any other
16 law, rule or regulation, whether fixed or contingent, accrued or un-accrued, liquidated or un-
17 liquidated, at law or in equity, matured or un-matured, whether class or individual in nature,
18 including both known claims and Unknown Claims, (i) that have been asserted in this Action by the
19 Class Members or any of them against any of the Released Persons, or (ii) that could have been
20 asserted in the Action by the Class Members or any of them against any of the Released Persons
21 which arise out of, are based upon, or relate to the allegations, transactions, facts, matters or
22 occurrences, representations or omissions set forth, or referred to in the Action and are based upon
23 the purchase or acquisition of Cornerstone common units during the Class Period.

24 1.22 “Released Defendants’ Claims” means any and all claims, rights or causes of
25 action or liabilities whatsoever, whether based on federal, state, local, statutory or common law or
26 any other law, rule or regulation, including both known claims and Unknown Claims, that have been
27 or could have been asserted in the Action or any forum by the Defendants or any of them or the
28 successors and assigns of any of them against the Lead Plaintiff, any Class Member or their

attorneys, which arise out of or relate in any way to the institution, prosecution or settlement of the Action (except for claims to enforce the Settlement).

1.23 “Released Defendants v. Defendants’ Claims” means any and all claims, rights or causes of action or liabilities whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including both known claims and Unknown Claims, that have been or could have been asserted in the Action or any forum by the Defendant or any of them or the successors and assigns of any of them against any of the other Defendants which arise out of or relate in any way to the allegations, transactions, facts, matters, occurrences, representations or omissions in the Action (except for claims to enforce the Settlement) and all claims for reimbursement, indemnification, or contribution that arise out of or relate to the Released Claims.

1.24 “Released Persons” means each and all of the Defendants, Cornerstone, Northwestern Corporation, Northwestern Growth Corporation, and their respective past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants, advisors, investment advisors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of a Defendant’s immediate family, or any trust of which any Defendant is the settlor or which is for the benefit of any Defendant’s family.

1.25 “Settlement Fund” means the principal amount of Thirteen Million Five Hundred Thousand Dollars (\$13,500,000) in cash (the “Principal Amount”), plus interest earned or accrued thereon.

1.26 “Unknown Claims” means any Released Claims which Lead Plaintiff or any Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons, and any Released Defendants’ Claims or Released Defendants v. Defendants’ Claims that any Defendant does not know or suspect to exist in his, her or its favor, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, Released Defendants’ Claims and Released Defendants v.

1 Defendants' Claims, the Parties stipulate and agree, upon the Effective Date, Lead Plaintiff and
 2 Defendants expressly waive and relinquish, and the Class Members and Released Persons shall be
 3 deemed to have, and by operation of the Final Order and Judgment shall have expressly waived and
 4 relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of California
 5 Civil Code §1542, which provides:

6 A general release does not extend to claims which the creditor does not know or
 7 suspect to exist in his or her favor at the time of executing the release, which if
 8 known by him or her must have materially affected his or her settlement with the
 9 debtor.

10 Lead Plaintiff and Defendants expressly waive and the Class Members and Released Persons shall
 11 be deemed to, and upon the Effective Date and by operation of the Final Order and Judgment shall,
 12 have waived any and all provisions, rights and benefits conferred by any law of the United States or
 13 of any state or territory of the United States, or principle of common law, which is similar,
 14 comparable or equivalent to California Civil Code §1542. The Parties acknowledge that the
 15 foregoing waiver was bargained for and a key element of the Settlement of which this release is a
 16 part.

17 2. The Settlement

18 Within ten (10) business days following the Court's entry of the Final Order and
 19 Judgment, Defendants shall cause Associated Electric & Gas Insurance Services Limited ("AEGIS")
 20 to pay the sum of Thirteen Million Five Hundred Thousand Dollars (\$13,500,000) into an interest
 21 bearing escrow account designated by Lead Counsel, and for the benefit of the Class. Lead Counsel
 22 will provide wiring instructions in writing to counsel for the Defendants within three (3) business
 23 days of the Court's entry of the Final Order and Judgment. If the agreed upon sum is not timely
 24 transferred to the Escrow Agent, Lead Plaintiff has the option to terminate the Settlement or move
 25 for the enforcement of the terms of the Settlement. However, Defendants shall not, under any
 26 circumstances, be responsible themselves for making the actual payment should AEGIS fail to do so,
 27 and should Defendants fail to cause AEGIS to make payment, the sole remedy available against the
 28 Defendants is the termination of the Settlement. Prior to having the option to terminate the
 Settlement, Lead Plaintiff shall notify Defendants' counsel via facsimile of the failure to transfer the

1 agreed upon sum. If the agreed upon sum is not transferred five (5) business days after the date of
 2 the facsimile, then Lead Plaintiff shall have the right to terminate the Settlement. In addition,
 3 interest shall begin to accrue on the \$13,500,000 as of the eleventh business day following the
 4 Court's entry of the Final Order and Judgment.

5 3. Administration of the Settlement Fund

6 (a). The Escrow Agent

7 3.1 The Escrow Agent shall invest the Settlement Fund deposited pursuant to
 8 ¶2 of this Stipulation in instruments backed by the full faith and credit of the United States
 9 Government or fully insured by the United States Government or an agency thereof and shall
 10 reinvest the proceeds of these instruments as they mature in similar instruments at their then-current
 11 market rates.

12 3.2 The Escrow Agent shall not disburse the Settlement Fund except as provided
 13 in the Stipulation or by an order of the Court (consistent with the terms of the Stipulation), or with
 14 the written agreement of counsel for the Defendants, Lead Counsel, and AEGIS.

15 3.3 Subject to further order and/or direction as may be made by the Court, the
 16 Escrow Agent is authorized to execute such transactions on behalf of the Class Members as are
 17 consistent with the terms of the Stipulation.

18 3.4 All funds held by the Escrow Agent shall be deemed and considered to be in
 19 the custody of the Court, and shall remain subject to the jurisdiction of the Court, until such time as
 20 such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

21 3.5 Lead Counsel may pay from the Settlement Fund, without further approval
 22 from Defendants or the Court, the reasonable costs and expenses associated with identifying Class
 23 Members and effecting Notice and Summary Notice of Pendency and Proposed Settlement of Class
 24 Action ("Summary Notice") to the Class, and the administration of the Settlement, including without
 25 limitation, the actual costs of publication, printing and mailing the Notice and Summary Notice,
 26 reimbursements to nominee owners for forwarding notice to their beneficial owners, and the
 27 administrative expenses incurred and fees charged by the Claims Administrator in connection with
 28 providing notice and processing the submitted claims. Prior to the Court's approval of the

1 Settlement, Lead Counsel shall not pay more than \$125,000 from the Settlement Fund for notice and
 2 administrative expenses. Lead Counsel may pay amounts in excess of \$125,000 from the Settlement
 3 Fund upon Court approval.

4 (b). Taxes

5 3.6 (a) The Parties and the Escrow Agent agree to treat the Settlement Fund
 6 as being at all times a “qualified settlement fund” within the meaning of Treas. Reg. §1.468B-1. In
 7 addition, the Escrow Agent and, as required, the Defendants, shall jointly and timely make the
 8 “relation-back election” (as defined in Treas. Reg. §1.468B-1) back to the earliest permitted date.
 9 Such elections shall be made in compliance with the procedures and requirements contained in such
 10 regulations. It shall be the responsibility of the Escrow Agent to timely and properly prepare and
 11 deliver the necessary documentation for signature by all necessary Parties, and thereafter to cause the
 12 appropriate filing to occur.

13 (b) For the purpose of §468B of the Internal Revenue Code of 1986, as
 14 amended, and the regulations promulgated thereunder, the “administrator” shall be the Escrow
 15 Agent. The Escrow Agent shall timely and properly file all informational and other tax returns
 16 necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns
 17 described in Treas. Reg. §1.468B-2(k)). Such returns (as well as the election described in ¶3.6(a)
 18 hereof) shall be consistent with this ¶3.6 and in all events shall reflect that all Taxes (including any
 19 estimated Taxes, interest or penalties) on the income earned by the Settlement Fund shall be paid out
 20 of the Settlement Fund as provided in ¶3.6(c) hereof.

21 (c) All (i) Taxes (including any estimated Taxes, interest or penalties)
 22 arising with respect to the income earned by the Settlement Fund (“Taxes”), and (ii) expenses and
 23 costs incurred in connection with the operation and implementation of this ¶3.6 (including, without
 24 limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and
 25 expenses relating to filing (or failing to file) the returns described in this ¶3.6 (“Tax Expenses”),
 26 shall be paid out of the Settlement Fund; in no event shall the Released Persons have any
 27 responsibility for or liability with respect to the Taxes or the Tax Expenses, or the filing of any tax
 28 returns or other documents with the Internal Revenue Service or any other state or local taxing

1 authority. The Escrow Agent shall indemnify and hold each of the Released Persons harmless for
 2 Taxes and Tax Expenses (including, without limitation, Taxes payable by reason of any such
 3 indemnification). Further, Taxes and Tax Expenses shall be treated as, and considered to be, a cost
 4 of administration of the Settlement Fund and shall be timely paid by the Escrow Agent out of the
 5 Settlement Fund without prior order from the Court, and the Escrow Agent shall be obligated
 6 (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized
 7 Claimants any funds necessary to pay such amounts, including the establishment of adequate
 8 reserves for any Taxes and Tax Expenses (as well as any amounts that may be required to be
 9 withheld under Treas. Reg. §1.468B-2(1)(2)); the Released Persons are not responsible and shall
 10 have no liability, therefor, or for any reporting requirements that may relate thereto. The Parties
 11 hereto agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants
 12 to the extent reasonably necessary to carry out the provisions of this ¶3.6.

13 (d) For the purpose of this ¶3.6, references to the Settlement Fund shall
 14 include both the Principal Amount and any earnings thereon.

15 3. Termination of the Settlement

16 3.7 In the event that the Stipulation is not approved, or is terminated, canceled or
 17 fails to become effective for any reason, the Settlement Fund (including accrued interest), less
 18 expenses and any costs actually and reasonably incurred and properly due and owing in connection
 19 with the Settlement pursuant to ¶3.5 herein, and less any Taxes or Tax Expenses paid or incurred
 20 pursuant to ¶3.6 herein shall be refunded to AEGIS. In such event, any tax refund owing to the
 21 Settlement Fund shall also be refunded.

22 4. Preliminary Approval Order and Settlement Hearing

23 4.1 Promptly after execution of the Stipulation, but in no event later than ten (10)
 24 calendar days after the Stipulation is signed (unless such time is extended by the written agreement
 25 of Lead Counsel and counsel for the Defendants), the Parties shall submit the Stipulation together
 26 with its Exhibits to the Court and shall jointly apply for entry of an order (the “Preliminary Approval
 27 Order”), substantially in the form of Exhibit A hereto, requesting, *inter alia*, the preliminary
 28 approval of the Settlement set forth in the Stipulation, approval for mailing the Notice, substantially

in the form of Exhibit A-1 hereto and publication of Summary Notice, substantially in the form of Exhibit A-3 hereto. The Notice shall include the general terms of the Settlement set forth in the Stipulation, the proposed Plan of Allocation, the general terms of the Fee and Expense Application (as defined below in ¶7.1), the general terms of any application for the Lead Plaintiff to be reimbursed for reasonable time and expenses (as defined in ¶7.3) and the date of the Settlement Hearing (as defined below in ¶4.2). Cornerstone shall provide within three (3) calendar days of the Court's execution of the Preliminary Approval Order the information from its transfer records required by the Claims Administrator to send Notice to the Class Members who can be identified through those same records.

4.2 The Parties shall request that, after notice is given, the Court hold a hearing (the "Settlement Hearing") and approve the Settlement of the Action as set forth herein. At or after the Settlement Hearing, Lead Counsel also will request that the Court approve the proposed Plan of Allocation and the Fee and Expense Application.

5. Releases

5.1 Upon the Effective Date, Lead Plaintiff and each of the Class Members shall be deemed to have, and by operation of the Final Order and Judgment shall have, fully, finally and forever released, relinquished and discharged all Released Claims against the Released Persons, whether or not such Class Member executes and delivers a Proof of Claim and the Action shall be dismissed with prejudice as to the Defendants.

5.2 The Proof of Claim to be executed by Class Members shall release all Released Claims against the Released Persons and shall be substantially in the form contained in Exhibit A-2 hereto.

5.3 Upon the Effective Date, each of the Released Persons shall be deemed to have, and by operation of the Final Order and Judgment shall have, fully, finally and forever released, relinquished and discharged all Released Defendants' Claims against the Lead Plaintiff, and each and all of the Class Members and Lead Counsel.

5.4 Upon the Effective Date, each of the Defendants shall be deemed to have and by operation of the Final Order and Judgment shall have, fully, finally and forever released,

1 relinquished and discharged all Released Defendants' v. Defendants' Claims against all other
2 Defendants.

3 6. Administration and Calculation of Claims, Final Awards and Supervision and
4 Distribution of Settlement Fund

5 6.1 The Claims Administrator shall administer and calculate the claims submitted
6 by Class Members and shall oversee distribution of that portion of the Settlement Fund that is finally
7 awarded by the Court to Authorized Claimants.

8 6.2 The Settlement Fund shall be applied as follows:

9 (a). to pay all unpaid costs and expenses reasonably and actually incurred
10 in connection with providing notice to the Class Members, including locating Class Members,
11 soliciting Class claims, assisting with the filing of claims, administering and distributing the
12 Settlement Fund to the Class, processing Proofs of Claim and paying escrow fees and costs, if any;

14 (b). to pay Taxes and Tax Expenses;

15 (c). to pay Lead Counsel's attorneys' fees, expenses and costs, with
16 interest thereon (the "Fee and Expense Award"), if and to the extent allowed by the Court;

17 (d). to pay any award by the Court to the Lead Plaintiff for reimbursement
18 for reasonable time and expenses; and

19 (e). to distribute the balance of the Settlement Fund (the "Net Settlement
20 Fund") to Authorized Claimants as allowed by the Stipulation, the Plan of Allocation or the Court.

22 6.3 Upon the Effective Date and thereafter, and in accordance with the terms of
23 the Stipulation, the Plan of Allocation, or such further approval and further order(s) of the Court as
24 may be necessary or as circumstances may require, the Net Settlement Fund shall be distributed to
25 Authorized Claimants, subject to and in accordance with the following:

26 (a). Within ninety (90) days after the mailing of the Notice or such other
27 time as may be set by the Court, each Person claiming to be an Authorized Claimant shall be
28

1 required to submit to the Claims Administrator a completed Proof of Claim, substantially in the form
2 of Exhibit A-2 hereto, signed under penalty of perjury and supported by such documents as are
3 specified in the Proof of Claim and as are reasonably available to the Authorized Claimant.

4 (b). Except as otherwise ordered by the Court, all Class Members who fail
5 to timely submit a Proof of Claim within such period, or such other period as may be ordered by the
6 Court, or otherwise allowed, shall be forever barred from receiving any payments of money pursuant
7 to the Stipulation and the Settlement set forth herein, but will in all other respects be subject to and
8 bound by the provisions of the Stipulation, the Settlement and Releases contained herein, and the
9 Final Order and Judgment.

10 (c). The Net Settlement Fund shall be distributed to the Authorized
11 Claimants whose recognized claim calculates to \$10.00 or greater, substantially in accordance with,
12 and subject to, the Plan of Allocation to be described in the Notice, approved by the Court and
13 mailed to Class Members. If there is any balance remaining in the Net Settlement Fund after six (6)
14 months from the date of distribution of the Net Settlement Fund (whether by reason of tax refunds,
15 uncashed checks or otherwise), Lead Counsel shall, if feasible, reallocate such balance among
16 Authorized Claimants in an equitable and economic fashion. Thereafter, any balance which still
17 remains in the Net Settlement Fund shall be donated to the San Francisco office of Habitat for
18 Humanity.

19 6.4 The Released Persons and their counsel shall have no responsibility for,
20 interest in, or liability whatsoever with respect to: (i) the investment or distribution of the Settlement
21 Fund; (ii) the Plan of Allocation; (iii) the determination, administration or calculation of claims; (iv)
22 the payment or withholding of Taxes or Tax Expenses; or (v) any losses incurred in connection
23 therewith. No Person shall have any claim of any kind against the Released Persons or their counsel
24 with respect to the matters set forth in this Section 6 or any of its subparts.

1 6.5 No Person shall have any claim of any kind against Lead Plaintiff, Lead
2 Counsel, the Claims Administrator or any other entity designated by Lead Counsel based on
3 distributions made substantially in accordance with the Stipulation and the Settlement contained
4 herein, the Plan of Allocation or further order(s) of the Court.

5 6.6 It is understood and agreed by the Parties that any proposed Plan of Allocation
6 of the Net Settlement Fund including, without limitation, any adjustments to an Authorized
7 Claimant's claim set forth therein, is not a part of the Stipulation and is to be considered by the Court
8 separately from the Court's consideration of the fairness, reasonableness and adequacy of the
9 Settlement set forth in the Stipulation, and any order or proceeding relating to the Plan of Allocation
10 shall not operate to terminate or cancel the Stipulation or affect the finality of the Court's Final
11 Order and Judgment approving the Stipulation and the Settlement set forth herein, including, but not
12 limited to, the release, discharge, and relinquishment of the Released Claims against the Released
13 Persons, or any other orders entered pursuant to the Stipulation.
14

15
16 7. Lead Counsel's Attorneys' Fees and Reimbursement of Expenses

17 7.1 Lead Counsel will submit an application for an order (the "Fee and Expense
18 Application") for distributions to it from the Settlement Fund for: (i) an award of attorneys' fees;
19 plus (ii) reimbursement of expenses and costs, including the fees of any experts or consultants,
20 incurred in connection with prosecuting the Action, plus (iii) any interest on such attorneys' fees and
21 expenses at the same rate and for the same periods as earned by the Settlement Fund (until paid), as
22 may be awarded by the Court. Lead Counsel reserves the right to make additional applications for
23 fees and expenses incurred.

24 7.2 The attorneys' fees and expenses, including the fees of experts and
25 consultants, as awarded by the Court, shall be paid to Lead Counsel from the Settlement Fund,
26 immediately following both the deposit of the Principle Amount into the Settlement Fund and the
27 Court's approval of the Fee and Expense Award. In the event that the Effective Date does not occur,
28 or the Final Order and Judgment or the order making the Fee and Expense Award is reversed or

1 modified, or the Stipulation is canceled or terminated for any other reason, and in the event that the
2 Fee and Expense Award has been paid to any extent, then Lead Counsel shall within ten (10)
3 business days from any such reversal or modification, refund to the Settlement Fund the fees and
4 expenses previously paid to them from the Settlement Fund, plus interest thereon at the same rate as
5 earned on the cash portion of the Settlement Fund in an amount consistent with such reversal or
6 modification, with each Plaintiff's Counsel who has received said fees and expenses being jointly
7 and severally liable for the full refund of said fees and expenses, with interest. As a condition of
8 receiving such fees and expenses, Lead Counsel, on behalf of itself (and each of its partners and/or
9 shareholders) and each Plaintiff's Counsel receiving any portion of the fees and expenses, agrees that
10 each law firm and its partners and/or shareholders are subject to the jurisdiction of the Court for the
11 purpose of enforcing the provisions of this paragraph.

12 7.3 Lead Counsel shall apply to the Court for an award to compensate the Lead
13 Plaintiff for time and expenses dedicated to the litigation of the Action to be paid from the
14 Settlement Fund. Any such award shall be paid to the Lead Plaintiff according to the terms set forth
15 above in ¶ 7.2. The Defendants shall take no position as to this application. In the event that the
16 Effective Date does not occur, or the Final Order and Judgment or the order making the Fee and
17 Expense Award is reversed or modified, or the Stipulation is canceled or terminated for any other
18 reason, and in the event that any award has been paid to any extent to the Lead Plaintiff, then Lead
19 Plaintiff shall refund such award according to the terms set forth above in ¶ 7.2.

21 7.4 The Released Persons shall have no responsibility for, and no liability
22 whatsoever with respect to, any payment to Lead Counsel from the Settlement Fund that may occur
23 before the Effective Date.

24 7.5 The Released Persons shall have no responsibility for, and no liability
25 whatsoever with respect to, the allocation of the Fee and Expense Award to Lead Counsel, or any
26 other Person who may assert some claim thereto, or any Fee and Expense Award that the Court may
27 make in this Action.
28

7.6 The procedure for and the allowance or disallowance by the Court of any applications by Lead Counsel for attorneys' fees and expenses, including the fees of experts and consultants, or any application by the Lead Plaintiff for reimbursement of reasonable time and expense, to be paid out of the Settlement Fund, are not part of the Settlement set forth in the Stipulation, and are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness and adequacy of the Settlement set forth in the Stipulation. Any order or proceedings relating to the Fee and Expense Application, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel the Stipulation, or affect or delay the finality of the Final Order and Judgment approving the Stipulation and the Settlement of the Action set forth therein.

7.7 The Released Parties shall have no responsibility for or liability with respect to payment of attorneys' fees and expenses to Lead Counsel over and above payment from the Settlement Fund.

8. Conditions of Settlement, Effect of Disapproval, Cancellation or Termination

8.1 The Effective Date of the Stipulation shall be conditioned on the occurrence of all of the following events:

- (a) Defendants or their insurers have timely made their contributions to the Settlement Fund as required by ¶2 herein;
- (b) the Court has entered the Preliminary Approval Order, as required by ¶4.1, above;
- (c) the Court has entered the Final Order and Judgment, or a judgment substantially in the form of Exhibit B hereto;
- (d) the Final Order and Judgment has become Final, as defined in ¶1.11, above; and
- (e) Counsel for the Defendants has not given notice of intent to exercise their option to terminate the Stipulation and Settlement in accordance with the terms of the Supplemental Agreement described in ¶8.8.

8.2 Upon the occurrence of all of the events referenced in ¶8.1 above, any and

1 all remaining interest or right of Defendants and their insurers to the Settlement Fund, if any, shall be
2 absolutely and forever extinguished.

3 8.3 Neither a modification nor a reversal on appeal of any Plan of Allocation, of
4 any Fee and Expense Award to Lead Counsel, or any reimbursement of reasonable time and
5 expenses to Lead Plaintiff, shall constitute a condition to the Effective Date or grounds for
6 cancellation and termination of the Stipulation.

7 8.4 If any of the conditions specified in ¶8.1 above are not met, then counsel for
8 Defendants or Lead Counsel shall have the right to terminate the Settlement and this Stipulation by
9 providing written notice of their election to do so to all Parties hereto within thirty (30) calendar days
10 of: (i) the Court's declining to enter the Preliminary Approval Order in any material respect; (ii) the
11 Court's refusal to approve this Stipulation or any material part of it; (iii) the Court's declining to
12 enter the Final Order and Judgment in any material respect; (iv) the date upon which the Final Order
13 and Judgment is modified or reversed in any material respect by the Court of Appeals or the
14 Supreme Court; (v) the date upon which the Alternative Judgment is modified or reversed in any
15 material respect by the Court of Appeals or the Supreme Court; or (vi) in conformity with ¶ 2 if the
16 principal amount is not paid.

17 8.5 Unless otherwise ordered by the Court, in the event the Stipulation shall
18 terminate, or be canceled, or shall not become effective for any reason, not less than three (3) but no
19 more than five (5) business days after written notification of such event is sent by Lead Counsel or
20 counsel for the Defendants, with verification from Lead Counsel, to the Escrow Agent (with a faxed
21 copy to the other parties' counsel), the Settlement Fund (including accrued interest), less expenses
22 and any costs which have been incurred for notice and administration of the proposed Settlement,
23 and less any Taxes and Tax Expenses paid or incurred pursuant to ¶3.6 herein, shall be refunded by
24 the Escrow Agent to Defendants' insurance carrier, AEGIS. In such event, any tax refund owing to
25 the Settlement Fund shall also be refunded and paid to Defendants' insurance carrier, AEGIS.

26 8.6 In the event that the Stipulation is not approved by the Court or the Settlement
27 set forth in the Stipulation is terminated or fails to become effective in accordance with its terms, the
28 Parties shall be restored to their respective positions in the Action as of May 18, 2006. In such

event, the terms and provisions of the Stipulation, with the exception of ¶¶1.1-1.26, 3.7, 6.4-6.6, 7.2-7.4 and 8.1-8.10, 9.3, 9.8-9.12, and 9.16-9.17 herein, shall have no further force and effect with respect to the Parties and shall not be used in this Action or in any other proceeding for any purpose, and any Final Order and Judgment entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*. No order of the Court or modification or reversal on appeal of any order of the Court concerning the Plan of Allocation, the amount of any Attorney Fee and Expense Award, or reimbursement of reasonable time and expenses to Lead Plaintiff shall constitute grounds for cancellation or termination of the Stipulation.

8.7 If a case is commenced in respect to any Defendant or AEGIS (or any insurer contributing funds to the Settlement Fund on behalf of any Defendant) under Title 11 of the United States Code (Bankruptcy), or a trustee, receiver or conservator is appointed under any similar law, and in the event of the entry of a final order of a court of competent jurisdiction determining the transfer of the Settlement Fund, or any portion thereof, by or on behalf of such Defendant to be a preference, voidable transfer, fraudulent conveyance or similar transaction and any portion thereof is required to be returned, and such amount is not properly deposited to the Settlement Fund by other Defendants, then, at the election of Lead Counsel, the Parties shall jointly move the Court to vacate and set aside the releases given and Final Order and Judgment entered in favor of the Defendants pursuant to this Stipulation, which releases and Final Order and Judgment shall be null and void, and the Parties shall be restored to their respective positions in the Action as of the date a day prior to the date of this Stipulation, and any cash amounts, including all attorneys' fees awarded and paid to Lead Counsel and any Plaintiffs' Counsel and any award to Lead Plaintiff shall be returned as provided in ¶8.5 above. In addition, in such event, Escrow Agent shall contact each Claimant that received funds and demand a refund of such funds. Any Claimant failing to return the funds shall be bound by the terms of this Stipulation and the Settlement, the bankruptcy notwithstanding.

8.8 If prior to the Settlement Hearing, Persons who otherwise would be Members of the Class have filed with the Court valid and timely requests for exclusion ("Requests for Exclusion") from the Class in accordance with the provisions of the Preliminary Approval Order and the Notice given pursuant thereto, and such Persons in the aggregate purchased or acquired a number

1 of Cornerstone common units during the Class Period in an amount greater than the sum specified in
 2 a separate Supplemental Agreement between the Parties (the "Supplemental Agreement"),
 3 Defendants shall have the option to terminate this Stipulation in accordance with the procedures set
 4 forth in the Supplemental Agreement. The Supplemental Agreement will not be filed with the Court
 5 unless and until a dispute among the Parties concerning its interpretation or application arises.

6 8.9 In the event this Stipulation shall be cancelled as set forth in ¶8.8 above, the
 7 Parties shall, within two weeks of such cancellation, jointly request a status conference with the
 8 Court to be held on the Court's first available date. At such status conference, the Parties shall ask
 9 the Court's assistance in scheduling continued proceedings in this Action. Pending such status
 10 conference or the expiration of sixty (60) calendar days from the Parties' joint request for a status
 11 conference, whichever occurs first, none of the Parties shall file or serve any further motions on any
 12 of the other Parties in connection with this Action nor shall any response be due by any Party to any
 13 outstanding pleading or motion by any other Party.

14 8.10 If the Effective Date does not occur, or if the Stipulation is terminated
 15 pursuant to its terms, neither Lead Plaintiff nor Lead Counsel shall have any obligation to repay any
 16 amounts actually and properly disbursed from the Settlement Fund other than that received by them
 17 as attorneys' fees and reimbursement of expenses. In addition, any expenses already incurred and
 18 properly chargeable to the Settlement Fund pursuant to ¶3.5 herein at the time of such termination or
 19 cancellation, but which have not been paid, shall be paid by the Escrow Agent in accordance with
 20 the terms of the Stipulation prior to the balance being refunded in accordance with ¶8.5 above.

21 9. Miscellaneous Provisions

22 9.1 The Parties (i) acknowledge that it is their intent to consummate
 23 this Settlement and Stipulation; and (ii) agree to cooperate to the extent necessary to effectuate and
 24 implement all terms and conditions of the Stipulation and to exercise their reasonable best efforts to
 25 accomplish the foregoing terms and conditions of the Stipulation.

26 9.2 Each Defendant warrants as to himself, at the time any of the payments
 27 provided for herein are made on behalf of himself, he is not insolvent and the payment will not
 28

1 render him insolvent. The representation is made by each Defendant as to himself and is not made
2 by counsel for the Defendants.

3 9.3 The Parties agree that the amount of the Settlement Fund, as well as the
4 other terms of the Settlement, were negotiated in good faith by the Parties and reflect a settlement
5 that was reached voluntarily after consultation with experienced legal counsel. Neither the
6 Stipulation nor the Settlement contained therein, nor any act performed or document executed
7 pursuant to or in furtherance of the Stipulation or the Settlement: (i) is or may be deemed to be or
8 may be used as an admission of, or evidence of, the validity of any Released Claim, or of any
9 wrongdoing or liability of the Released Persons; or (ii) is or may be deemed to be or may be used as
10 an admission of, or evidence of, any fault or omission of any of the Released Persons in any civil,
11 criminal or administrative proceeding in any court, administrative agency or other tribunal. Released
12 Persons may file the Stipulation and/or the Final Order and Judgment of this Action in any other
13 action that may be brought against them in order to support a defense or counterclaim based on
14 principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or
15 reduction or any theory of claim preclusion or issue preclusion or similar defense or counterclaim.

16 9.4 The Parties intend this Settlement to be a final and complete resolution of all
17 disputes asserted or which could be asserted by the Class Members against the Released Persons
18 with respect to the Released Claims. Accordingly, the Parties agree not to assert in the Action or in
19 any other judicial forum that the Action was brought or defended in bad faith or without a reasonable
20 basis. Defendants agree not to assert any claims under Rule 11 of the Federal Rules of Civil
21 Procedure or any similar law, rule or regulation that the Action was brought in bad faith or without a
22 reasonable basis. Lead Plaintiff and the Class agree not to assert any claims under Rule 11 of the
23 Federal Rules of Civil Procedure or any similar law, rule or regulation that any pleading filed,
24 motion made or position taken by Defendants, or their counsel, in the Action was filed, made or
25 taken in bad faith or without a reasonable basis. The Parties reserve their right to rebut in any
26 manner that which such party determines to be any contention made in any public forum that the
27 Action was brought or defended in bad faith or without a reasonable basis. The Parties agree that the
28 amount paid and the other terms of the Settlement were negotiated at arms' length and in good faith

1 by the Parties, and reflect a settlement that was reached voluntarily based upon adequate information
2 and after consultation with experienced legal counsel, with the assistance of court-supervised
3 mediation.

4 9.5 To the extent permitted by law, all agreements made and orders entered during
5 the course of the Action relating to the confidentiality of information shall survive this Stipulation.

6 9.6 The waiver by one Party of any breach of this Stipulation by any other
7 Party shall not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

8 9.7 All of the Exhibits to the Stipulation are material and integral parts hereof
9 and are fully incorporated herein by this reference.

10 9.8 Nothing in this Stipulation, or the negotiations relating thereto, is intended to
11 or shall be deemed to constitute a waiver of any applicable privilege or immunity, including, without
12 limitation, attorney/client privilege, joint defense privilege or work product immunity.

13 9.9 The Stipulation may be amended or modified only by a written instrument
14 signed by or on behalf of all Parties or their respective successors-in-interest.

15 9.10 The Stipulation, the Exhibits attached hereto, and the Supplemental
16 Agreement constitute the entire agreement among the Parties hereto and no representations,
17 warranties or inducements have been made to any Party concerning the Stipulation, its Exhibits or
18 the Supplemental Agreement other than the representations, warranties and covenants contained and
19 memorialized in such documents. Except as otherwise provided herein, each Party shall bear its own
20 costs.

21 9.11 Lead Counsel, on behalf of the Class, is expressly authorized by Lead Plaintiff
22 to take all appropriate actions required or permitted to be taken by the Class pursuant to the
23 Stipulation to effectuate its terms and also are expressly authorized to enter into any modifications or
24 amendments to the Stipulation on behalf of the Class which they deem appropriate.

25 9.12 Each counsel or other Person executing the Stipulation or any of its Exhibits
26 on behalf of any Party hereto hereby warrants that such Person has the full authority to do so.

27 9.13 The Stipulation may be executed by facsimile and in one or more
28 counterparts. All executed counterparts and each of them shall be deemed to be one and the same

COOLEY GODWARD LLP

/s/

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Dated: September 18, 2006

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Dated: September 18, 2006

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GENERAL ORDER 45(X)

I, Robert S. Green, am the ECF User whose identification and password are being used to file this STIPULATION AND AGREEMENT OF SETTLEMENT. In compliance with General Order 45(X), I hereby attest that I have on file all holograph signatures for any signatures indicated by a "conformed" signature (/s/) within this e-filed document.

Dated: September 19, 2006

GREEN WELLING LLP

/s/

Robert S. Green